



Michigan *Office of the Auditor General* **REPORT SUMMARY**

Performance Audit

Veterans Affairs Directorate

Department of Military and Veterans Affairs

Report Number:
51-105-04

Released:
April 2005

The Veterans Affairs Directorate supervises and directs the D.J. Jacobetti and Grand Rapids Homes for Veterans. The Homes provide domiciliary care and nursing facility care to aged and disabled military veterans and widows, widowers, spouses, former spouses, and parents of State veterans. In addition, the Directorate and the Michigan Veterans' Trust Fund (MVTF) Board of Trustees manage the administrative functions of MVTF, which provides emergency grants to veterans and tuition grants to dependents of disabled or deceased veterans.

Audit Objective:

To assess the effectiveness of the D.J. Jacobetti and Grand Rapids Homes for Veterans in maximizing their cost reimbursements.

Audit Conclusion:

We concluded that the D.J. Jacobetti and Grand Rapids Veterans Homes for Veterans were moderately effective in maximizing their cost reimbursements.

Reportable Conditions:

The Veterans Affairs Directorate should continue to pursue Medicaid and Medicare certification to increase reimbursements from Medicaid and Medicare for nursing facility care at the D.J. Jacobetti and Grand Rapids Homes for Veterans (Finding 1).

The D.J. Jacobetti Home for Veterans should obtain Medicare reimbursement for physical therapy services and Medicaid reimbursement for incontinent supplies

provided to eligible members of the Home. Also, the Home should enroll all eligible members in Medicaid. (Finding 2)

The D.J. Jacobetti and Grand Rapids Homes for Veterans did not establish a sufficient process to verify financial information to determine if members have disclosed all income and divested assets in accordance with policy established by the Board of Managers of the Michigan Veterans' Homes (Finding 3).

The D.J. Jacobetti and Grand Rapids Homes for Veterans did not spend restricted funds before State General Fund/general purpose funds and did not reimburse the State General Fund for amounts collected from a federal grant (Finding 4).

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Audit Objective:

To assess the efficiency of the administration of the Emergency Grant Program.

Audit Conclusion:

We concluded that the administration of the Emergency Grant Program was generally efficient.

Reportable Condition:

MVTF should make changes in operations in Wayne County and central office procedures that would result in administrative efficiencies for the Emergency Grant Program (Finding 5).

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Agency Response:

The Veterans Affairs Directorate's preliminary response indicated that it concurs with all of the findings and recommendations.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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